

SECOND REGULAR SESSION

HOUSE BILL NO. 1524

91ST GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVE O'TOOLE.

Read 1st time January 17, 2002, and 1000 copies ordered printed.

TED WEDEL, Chief Clerk

4005L.011

AN ACT

To repeal section 87.207, RSMo, and to enact in lieu thereof one new section relating to public retirement systems.

Be it enacted by the General Assembly of the state of Missouri, as follows:

Section A. Section 87.207, RSMo, is repealed and one new section enacted in lieu thereof, to be known as section 87.207, to read as follows:

87.207. The following allowances due under the provisions of sections 87.120 to [87.370] **87.371** of any member who retired from service shall be increased annually, as approved by the board of trustees beginning with the first increase in the October following his **or her** retirement and subsequent increases in each October thereafter, at the rates designated:

(1) With a retirement service allowance or ordinary disability allowance

(a) One and one-half percent per year, compounded each year, up to age sixty for those retiring with twenty to twenty-four years of service,

(b) Two and one-fourth percent per year, compounded each year, up to age sixty for those retiring with twenty-five to twenty-nine years of service,

(c) Three percent per year, compounded each year, up to age sixty for those retiring with thirty or more years of service,

(d) After age sixty, five percent per year for five years [or until a total maximum increase of twenty-five percent is reached];

(2) With an accidental disability allowance, three percent per year, compounded each year, up to age sixty, then five percent per year for five years [or until a total maximum increase of twenty-five percent is reached].

EXPLANATION — Matter enclosed in bold faced brackets [thus] in this bill is not enacted and is intended to be omitted in the law.

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18 [Each increase, however, is subject to a determination by the board of trustees that the consumer
19 price index (United States Average Index) as published by the United States Department of
20 Labor shows an increase of not less than the approved rate during the latest twelve-month period
21 for which the index is available at date of determination. If the increase is in excess of the
22 approved rate for any year, the excess shall be accumulated as to any retired member and
23 increases may be granted in subsequent years subject to the maximum allowed for each full year
24 from October following his retirement but not to exceed a total increase of twenty-five percent.
25 If the board of trustees determines that the index has decreased for any year, the benefits of any
26 retired member that have been increased shall be decreased but not below his initial benefit. No
27 annual increase shall be made of less than one percent and no decrease of less than three percent
28 except that any decrease shall be limited by the initial benefit.]